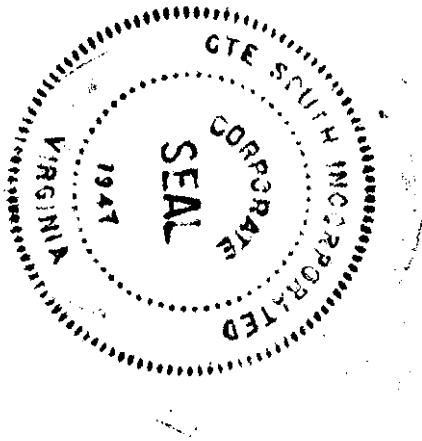


**GTE SOUTH INCORPORATED**

**CERTIFIED COPY OF  
ARTICLES OF RESTATEMENT OF  
ARTICLES OF INCORPORATION**

I, Rosalynn Christian, Assistant Secretary of GTE SOUTH INCORPORATED, a Virginia corporation, DO HEREBY CERTIFY that attached hereto is a true, correct and complete copy of the Articles of Restatement of Articles of Incorporation and all amendments of the Company in effect on August 24, 1989, and at all subsequent times to and including the date hereof.

WITNESS my hand and seal this 26th day of January, 2000.



*Rosalynn Christian*

Rosalynn Christian  
Assistant Secretary

# Commonwealth of Virginia



## State Corporation Commission

I Certify the Following from the Records of the  
Commission:

the foregoing is a true copy of all documents constituting the charter of  
GTE SOUTH INCORPORATED.

Nothing more is hereby certified.



Signed and Sealed at Richmond  
on this Date: October 27, 1993

*William J. Bridge*

William J. Bridge, Clerk of the Commission

ARTICLES OF RESTATEMENT OF ARTICLES OF INCORPORATION  
OF  
GENERAL TELEPHONE COMPANY OF THE SOUTH

I

The name of the Corporation is GTE South Incorporated (the "Corporation").

II

The Corporation's Articles of Incorporation are hereby restated in the form attached as Exhibit A hereto.

III

The restatement of the Corporation's Articles of Incorporation does not contain an amendment to the articles requiring shareholder approval.

IV

The Board of Directors adopted the attached restatement on August 24, 1989 in accordance with Section 13.1-111 of the Virginia Stock Corporation Act.

Dated August 24, 1989

GTE South Incorporated

By:   
President

GTE SOUTH INCORPORATED  
RESTATED ARTICLES OF INCORPORATION

(A Virginia Public Service Stock Corporation)

1. The name of the Corporation is:

GTE SOUTH INCORPORATED.

2. The purpose of the Corporation is to engage in the telephone and telegraph business as a public service company. The Company may, however, conduct in Virginia other public service business or nonpublic service business so far as may be related to or incidental to its stated business as a public service company and in any other state such business as may be authorized or permitted by the laws thereof. Nothing in this paragraph shall limit the powers of the corporation in respect of the securities of other corporations and the corporation shall have and may specifically exercise the general powers conferred on it by subsection 6 of Section 13.1-627 of the Code of Virginia as in effect on January 1, 1986.

3. The aggregate number of shares that the Company shall be authorized to issue and the classes thereof, together with the series of preferred stock, shall be as follows:

<u>Class</u>	<u>Par Value</u>	<u>Number of Shares</u>
Preferred	\$25 par	97,200
Preferred	\$100	4,119
Preferred	<b>\$ 50</b>	41,114
Preferred, authorized, unissued and undesignated as to series		120,000
Common	<b>\$ 25</b>	<b>25,000,000</b>

A statement of the preferences, limitations and voting rights in respect of the shares of each class and, inasmuch as

the Preferred Stock no par value may be issued in series, a statement of the variations in the relative rights and preferences as between series that the Board of Directors shall have authority to fix are as follows:

A. **Equality among Preferred Shares:** Shares of all classes of preferred stock shall be equal as to priority to assets and dividends, and no share of preferred stock shall be preferred over any other share as to assets or dividends except that the rate of dividends may vary among classes and series.

B. **Retirement of Certain Shares:** The shares of Preferred Stock, \$25 par value, Preferred Stock, \$100 par value and Preferred **Stock, \$50** par value, when redeemed or otherwise reacquired by the Company shall be automatically retired, the stated capital of the Company shall be reduced by the stated capital represented thereby and the authority of the Company to issue such shares shall be terminated.

C. **Dividends:** The holders of the Preferred Stock of each class and series shall be entitled to receive, if and when declared payable by the Board of Directors, dividends in lawful money of the United States of America, at the dividend rate for such class or series, and not exceeding such rate except to the extent of any participation right. Such dividends shall be payable on such dates as shall be fixed for such class or series. Dividends, if cumulative and in arrears, shall not bear interest. Dividends on shares of Preferred Stock of all classes and series

shall commence to accrue from the first day of the quarterly dividend period in which such shares of Preferred Stock shall be issued, provided, however, that if such shares are issued during the period commencing immediately after a record time for the determination of stockholders entitled to a dividend and terminating at the close of the payment date for such dividend, then dividends on such shares shall commence to accrue from such payment date.

No dividends shall be declared or paid upon or set apart for the Common Stock or for stock of any other class hereafter created ranking junior to the Preferred Stock in respect of dividends or assets (hereinafter called Junior Stock), and no shares of Preferred Stock, Common Stock or Junior Stock shall be purchased, redeemed or otherwise reacquired for a consideration, nor shall any funds be set aside for or paid to any sinking fund therefor, unless and until **(i)** full dividends on the outstanding Preferred Stock at the dividend rate or rates therefor, together with the full additional amount required by any participation right, shall have been paid or declared and set apart for payment with respect to all past dividend periods, to the extent that the holders of the Preferred Stock are entitled to dividends with respect to any past dividend period, and the current dividend period, and **(ii)** all mandatory sinking fund payments that shall have become due in respect of any class or series of the Preferred Stock shall have been made. Unless full dividends with respect

to all past dividend periods on the outstanding Preferred Stock at the dividend rate or rates therefor, to the extent that holders of the Preferred Stock are entitled to dividends with respect to any particular past dividend period, together with the full additional amount required by any participation right shall have been paid or declared and set apart for payment and all mandatory sinking fund payments that shall have become due in respect of any class or series of the Preferred Stock shall have been made, no distributions shall be made to the holders of the Preferred Stock of any class or series unless distributions are made to the holders of the Preferred Stock of all classes and series then outstanding in proportion to the aggregate amounts of the deficiencies in payments due to the respective series, and all payments shall be applied, first, to dividends accrued and in arrears, next, to any amount required by any participation right, and, finally, to mandatory sinking fund payments. The terms "current dividend period" and "past dividend period" mean, if two or more classes or series of Preferred Stock having different dividend periods are at the time outstanding, the current dividend period or any past dividend period, as the case may be, with respect to each such class or series.

D. Preference on Liquidation: In the event of any liquidation, dissolution or winding up of the company, the holders of the Preferred Stock of each class and series shall be entitled to receive, for each share thereof, the fixed liquidation price for

such class or series, plus, in case such liquidation, dissolution or winding up shall have been voluntary, the fixed liquidation premium for such class or series, if any, together in all cases with a sum equal to all dividends accrued or in arrears thereon and the full additional amount required by any participation right, before any distribution of the assets shall be made to holders of the Common Stock or Junior Stock; but the holders of the Preferred Stock shall be entitled to no further participation in such distribution. If, upon any such liquidation, dissolution or winding up, the assets distributable among the holders of the Preferred Stock shall be insufficient to permit the payment of the full preferential amounts aforesaid, then such assets shall be distributed among the holders of the Preferred Stock then outstanding ratably in proportion to the full preferential amounts to which they are respectively entitled. For the purposes of this Section **D**, the expression "dividends accrued or in arrears" means, in respect of each share of the Preferred Stock of any class or series at a particular time, an amount equal to the product of the rate of dividend per annum applicable to the shares of such class or series multiplied by the number of years and any fractional part of a year that shall have elapsed from the date when dividends on such shares became cumulative to the particular time in question less the total amount of dividends actually paid on the shares of such class or series or declared and set apart for payment thereon; provided, however, that, if



the dividends on such shares shall not be fully cumulative, such expression shall mean the dividends, if any, cumulative in respect of such shares for the period stated in the article of serial designation creating such shares less all dividends paid in or with respect to such period.

E. Redemption: The Company, by action of its Board of Directors, may redeem the whole or any part of any class or series of the Preferred Stock, at any time or from time to time, by paying in cash the redemption price of the shares of the particular class or series fixed **therefor** as hereinbefore provided. Notice of each such redemption shall be given to the holders of record of the **shares to** be redeemed. Each such notice shall be given by mail and may be given in such other manner as may be prescribed by resolution of the Board of Directors, at least thirty **(30)** days and not more than ninety **(90)** days prior to the date fixed for such redemption. Any notice to be given by mail shall be deemed given when mailed to the holders of the shares of stock being redeemed of record at the time of mailing, at their respective addresses as the same shall then appear on the books of the Company; but in the case of notice by mail, no accidental failure to mail such notice to any one or more such holders shall affect the validity of the redemption of any shares of the **Pre-**ferred Stock so to be redeemed, nor shall any omissions or inaccuracies in the names and addresses to which notices are mailed affect the validity or sufficiency of the notice of

redemption. -In case of the redemption of a part only of any class or series of Preferred Stock at the time outstanding, the Company shall select by lot, in such manner as the Board of Directors may determine, the shares so to be redeemed. The Board of Directors shall have full power and authority, subject to the limitations and provisions herein contained, to prescribe the manner in which, and the terms and conditions upon which, the shares of the Preferred Stock shall be redeemed from time to time. If notice of redemption shall have been given, and if on or before the redemption date specified in such notice all funds necessary for such redemption shall have been set aside by the Company so as to be and continue to be available therefor, then, notwithstanding that any certificate for such shares so called for redemption shall not have been surrendered for cancellation, from and after the date fixed for redemption, the shares represented thereby shall no longer be deemed outstanding, the right to receive dividends thereon shall cease to accrue and all rights with respect to such shares so called for redemption shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive, out of the fund so set aside the amount payable upon redemption thereof, without interest, provided, however, that the Company may, after giving notice of any such redemption as hereinbefore provided or after giving to the bank or trust company hereinafter referred to irrevocable authorization to give such notice, and, at any time prior to the

redemption date specified in such notice, deposit in trust, for the account of the holders of the shares to be redeemed, all funds necessary for such redemption with a bank or trust company in good standing, organized under the laws of the United States of America or of the Commonwealth of Virginia having capital, surplus and undivided profits aggregating at least **\$5,000,000** designated in such notice of redemption, and, upon such deposit in trust, all shares with respect to which such deposit shall have been made shall, notwithstanding that any certificate for such shares shall not have been surrendered for cancellation, no longer be deemed to be outstanding, and all rights with respect to such shares shall forthwith cease and terminate, except only the right of the holders thereof to receive, out of the funds so deposited in trust, the amount payable upon the redemption thereof, without interest, and notice of such right shall be included in the notice of redemption hereinabove provided for. The holders of any such Preferred Stock shall not be entitled to any interest allowed by such bank or trust company on funds so deposited, but any such interest shall be paid to the Company.

F. Voting Rights: Except as otherwise provided by law or by these Articles, all voting rights and powers shall be vested in the Common Stock of the Company. Except as otherwise provided herein, in any Serial Designation Certificate, or by law, no share of Preferred Stock of the Company shall be entitled to any voting rights, or powers under any conditions; provided, that

whenever dividends payable on any Preferred Stock outstanding shall be in default in an amount equivalent to four full quarter yearly dividends and until all dividends on such Preferred Stock in default have been paid or declared and set aside for payment, the holders of such Preferred Stock shall be entitled to the same voting powers in respect to such Preferred Stock as belong to the holders of Common Stock, but upon the payment or declaration and setting apart for payment of all such dividends in default such voting power of such Preferred Stock shall cease: and provided further that so long as any shares of the Preferred Stock are outstanding, the Company shall not take any action specified in clauses (a), **(b)**, **(c)** or **(d)** following without the affirmative vote in favor of the taking of such action by the holders of at least a majority of all shares of Preferred Stock of all classes and series voting at the time outstanding voting together as a single class or if the holders of **33-1/3%** of such shares of Preferred Stock vote against the taking of such action:

**(a)** Adopt an amendment to its Articles of Incorporation if such amendment would either **(i)** create any class of shares preferred as to dividends or assets over the Preferred Stock, or **(ii)** change the rights and preferences of the then outstanding Preferred Stock;

**(b)** Issue, sell or otherwise dispose of any shares of Preferred, Stock or of any other class of stock over which the Preferred Stock does not have preference as to the payment of

dividends and as to assets, unless, for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the issuance, sale or disposition of such stock, the net earnings of the Company, which shall be the balance remaining, if any, after deducting the aggregate of the operating expenses (including accruals for Federal taxes based on income) and charges to expenses to provide for renewals, **replacements, depreciation** and retirements from the aggregate of the operating revenues and the applicable net non-operating revenues, are at least equal to one and one-half times the annual dividend requirements of all outstanding shares of Preferred Stock and of all other classes of stock over which the Preferred Stock does not have preference as to the payment of dividends and as to assets, including the shares proposed to be issued and the annual interest requirements on all outstanding indebtedness for borrowed money;

(c) Create, issue, sell or otherwise dispose of any shares of Preferred Stock or of any class of stock over which the Preferred Stock does not have preference as to the payment of dividends and as to assets, or create, issue, incur or otherwise obligate itself to pay any bonds or other indebtedness maturing more than twelve months from the date when the Company became subject to the obligation to pay such indebtedness, if the sum of the capital represented by the shares of Preferred Stock and of such other class or classes of stock thereafter outstanding and

the principal amount of bonds and such indebtedness thereafter outstanding is in excess of 75% of the sum of the principal amount of the bonds and such indebtedness thereafter outstanding, the aggregate amount of capital represented by all shares of capital stock of the Company thereafter issued and outstanding and its earned surplus, capital surplus and premium on capital stock; or

(d) Pay any dividends (other than dividends paid in, or presently thereafter repaid to the Company for or as a capital contribution with respect to, stock over which the Preferred Stock has preference as to payment of dividends and as to assets) or make any other distribution of assets, by purchase of shares or otherwise, to the holders of Common Stock or any other class of stock over which the Preferred Stock has preference as to payment of dividends or as to assets, except out of earned surplus or if, at the time of declaration thereof or the making of such distribution, there shall not remain to the credit of earned surplus account, after deducting therefrom the amount of such dividend and distribution, an amount at least equal to one and **one-**half times the annual dividend requirements of all the shares of Preferred Stock and of all other classes of stock over which the Preferred Stock does not have preference as to the payment of dividends and as to assets, outstanding at the time of **such dec-**laration or distribution.

For the purposes of the foregoing provisions, no bonds or other evidences of indebtedness or shares of stock shall be deemed outstanding if provision has been made for the redemption or payment of said bonds or other evidences of indebtedness or for the redemption or retirement of said shares and, in any such case, funds sufficient for such payment, redemption or retirement have been duly set aside.

I

The Preferred Stock, \$25 Par Value

The shares of Preferred Stock, \$25 par value (hereinafter called the \$25 Preferred), shall have the following additional rights and preferences:

(a) The rate at which dividends shall be paid on the shares of the \$25 Preferred shall be \$1.16 per annum, and the dividend payment dates shall be March 1, June 1, September 1, and December 1; the shares of such series shall not be entitled to any participation rights.

(b) The price at **which the** shares of the \$25 Preferred may be redeemed is \$25.25 per share plus an amount equal to all unpaid cumulative dividends accrued thereon to the date fixed for payment.

(c) The amount payable upon such shares in event of involuntary liquidation is \$25 per share plus an amount equal to all unpaid cumulative dividends accrued thereon to the date fixed for payment.

(d) The amount payable upon such shares in event of voluntary liquidation is an amount equal to the redemption price.

(e) The shares of the \$25 Preferred shall be entitled to the benefits of a Purchase Fund for the purchase of such shares, the terms and provisions of which shall be as follows:

(i) So long as any shares of the \$25 Preferred shall be outstanding the Company shall, on March 1 in each **calen-**dar year, set aside in cash as and for a Purchase Fund for the purchase of shares of the \$25 Preferred an amount sufficient to purchase, at \$25 per share, a number of shares of the \$25 Preferred equal to 2% of the greatest number of shares of such stock at any one time theretofore outstanding; provided that in no event shall the Company be required to set aside for the Purchase Fund an amount in any calendar year in excess of the net income of the Company for the preceding calendar year, as determined in accordance with generally accepted principles of accounting practice by independent public accountants employed by the Company, less the amount of all dividends (whether or not declared, and if declared whether or not paid) accrued during such preceding calendar year on shares of Preferred Stock of the Company of all classes and series and on any other shares having preference over the Common Stock of the Company either as to payment of dividends or as to distribution of assets and provided further that such amount in cash may be invested by



the Company in direct and unconditional obligations of the United States Government maturing prior to the time the Company's obligation to set aside such amount in cash shall cease.

(ii) Any amount so set aside in any calendar year for the Purchase Fund shall be applied by the Company, insofar as practicable, to the purchase during the twelve-month period ending on the last day of February of the succeeding calendar year of shares of the \$25 Preferred in the open market or at private sale, in each case as the Company may in its discretion deem advisable and in each case at such price or prices as the Company may in its discretion deem advisable, not to exceed, as to any shares so purchased, \$25 per share (exclusive of any brokerage commissions or other similar expense payable by the purchaser with respect to each such purchase); provided that in no event shall the Company be required by any of the provisions hereof to purchase in any such **twelve-month** period more than a maximum number of shares equal to 2% of the greatest number of shares of the \$25 Preferred at any one time outstanding prior to the commencement of such twelve-month period.

(iii) If as of January 1 of such succeeding calendar year such maximum of shares shall not have been so purchased out of the Purchase Fund, the Company, as of said January 1, shall send to all holders of shares of the \$25 **Preferred** of

record as of a date within thirty days preceding said January 1 an invitation for tenders to be made on or before February 15 of shares of such stock for purchase by the Company at a price of not in excess of \$25 per share. Such tenders shall be subject to acceptance in whole or in part. The Company shall, on or prior to the last day of February, accept (in whole or in part) that tender or tenders offering shares at the lowest price or prices (not in excess of \$25 per share) until the amount in the Purchase Fund, so far as practicable, is exhausted or until the total number of shares of such stock purchased out of the Purchase Fund (whether on tenders or prior thereto) on or since the preceding March 1 is equal to 2% of the greatest number of shares of such stock outstanding at any one time prior to such preceding March 1. The Company may make such reasonable regulations with respect to such tenders and purchases pursuant thereto as it deems advisable.

(iv) In the event that any balance of the amount set aside for the Purchase Fund shall not have been applied at or prior to the close of business on the last day of February in any year, to the purchase of shares of the \$25 Preferred, such balance shall, provided the Company is not then in default in the performance of its obligations hereunder with regard to the purchase fund, be returned to the general funds of the Company free and clear of any

obligation on the part of the Company to apply the same either as and for any Purchase Fund or otherwise to the purchase of shares of the \$25 Preferred.

(v) So long as any shares of the \$25 Preferred remain outstanding, no dividend shall be declared or paid by the Company on any class of Junior Stock (other than dividends payable solely in shares of Junior Stock) nor shall any shares of Junior Stock be acquired by the Corporation for a valuable consideration unless and until, in either case, the amount hereinbefore required to be set aside for the Purchase Fund shall have been so set aside; provided that nothing herein contained shall prohibit or restrict the acquisition of shares of Junior Stock in exchange for other shares of Junior Stock or the acquisition of shares of Junior Stock with funds received by the Company as proceeds of sale of shares of Junior Stock.

## II

### The Preferred Stock, \$100 Par Value

The shares of Preferred Stock, \$100 par value (hereinafter called the \$100 Preferred), shall have the following additional rights and privileges:

(a) The holders of the \$100 Preferred shall be entitled to receive cumulative dividends at the annual rate of \$5.20 per share payable quarterly on the 15th days of January, April, July and October of each year.

(b) The shares of the \$100 Preferred shall be subject to redemption in whole or in **part** as above provided at a price of \$110 per share plus all accrued and unpaid dividends to the date fixed for redemption, whether or not earned or declared.

(c) The fixed liquidation price for the shares of the \$100 Preferred shall be \$100 plus accrued and unpaid dividends and there shall be no fixed liquidation premium for such shares.

### III

#### The Preferred Stock, \$50 Par Value

The Preferred Stock, \$50 Par Value (hereinafter called the \$50 Preferred) is issuable in two series herein designated the 5.00% Series \$50 Preferred and the 5.16% Series \$50 Preferred.

##### A. The 5.00% Series \$50 Preferred

(a) The holders of the 5.00% Series \$50 Preferred shall be entitled to receive cumulative dividends at the annual rate of \$2.50 per share payable quarterly on the 1st days of March, June, September and December of each year.

(b) The shares of the 5.00% Series \$50 Preferred shall be subject to redemption in whole or in part as above provided at a price of \$51.50 plus all **accrued and** unpaid dividends to the date fixed for redemption whether or not earned or declared.

(c) The fixed liquidation price for the shares of the 5.00% Series \$50 Preferred shall be \$50.00 plus all accrued and unpaid dividends and the fixed liquidation premium for such shares shall be \$1.50.

B. The 5.16% Series \$50 Preferred

(a) The holders of the 5.16% Series \$50 Preferred shall be entitled to receive cumulative dividends at the annual rate of \$2.58 per share payable quarterly on the 1st days of February, May, August and November of each year,

(b) The shares of the 5.16% Series \$50 Preferred shall be subject to redemption in whole or in part as above described at a **price** of \$52.50 plus all accrued and unpaid dividends to the date fixed for redemption whether or not earned or declared.

(c) The fixed liquidation price for the shares of the 5.16% Series \$50 Preferred shall be \$50.00 plus all accrued and unpaid dividends and the fixed liquidation premium for such shares shall be \$2.50.

C. Provisions Applicable to All Shares  
of \$50 Preferred

So long as any shares of the \$50 Preferred are outstanding, the Company shall not take any action specified in clauses (a), (b) and (c) following without the affirmative vote in favor of the taking of such action by the holders of at least a majority of the shares of \$50 Preferred at the time outstanding, or if the holders of **33-1/3%** of such shares of the \$50 Preferred vote against the taking of such action:

(a) issue, sell or otherwise dispose of any shares of the \$50 Preferred or of any other class of stock over which the \$50 Preferred does not have preference as to the payment of dividends and as to assets, unless the net income of the Company

available for the payment of dividends for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the issuance, sale or disposition of such stock is at least equal to two times the annual dividend requirements of all outstanding shares of the \$50 Preferred and of all **other classes** of stock over which the \$50 Preferred does not have preference as to the payment of dividends and as to assets, including the shares proposed to be issued;

(b) issue, sell, or otherwise dispose of any shares of the \$50 Preferred or of any other class of stock over which the \$50 Preferred does not have preference as to the payment of dividends and as to assets, or issue, incur or otherwise obligate itself to pay any bonds or other indebtedness maturing more than twelve months from the date when the Company became subject to the obligation to pay such indebtedness, if the sum of the capital represented by the shares of the \$50 Preferred and of such other class or classes of stock thereafter outstanding and the principal amount of bonds and such indebtedness thereafter outstanding is in excess of 75% of the sum of the principal amount of the bonds and such indebtedness thereafter outstanding, the aggregate amount of capital represented by all shares of capital stock of the Company thereafter issued and outstanding, and its surplus existing as of the end of a calendar month within sixty days theretofore; or

(c) pay any dividends (other than dividends paid in, or presently thereafter repaid to the Company for or as a capital contribution with respect to stock over which the \$50 Preferred has preference as to payment of dividends and as to assets) or make any other distribution of assets, by purchase of shares or otherwise, to the holders of Common Stock or any other class of stock over which the \$50 Preferred has preference as to payment of dividends or as **to assets**, except out of earned surplus or, if at the time of declaration thereof or the making of such distribution, there shall not remain to the credit of earned surplus account, after deducting therefrom the amount of such dividend and distribution, an amount at least equal to two times the annual dividend requirements of all the shares of the \$50 Preferred and of all other classes of stock over which the \$50 Preferred does not have preference as to payment of dividends and as to assets, outstanding at the time of such declaration or **distribu-**tion.

So long as any shares of the \$50 Preferred are outstanding and whether or not voting power shall at the time be vested in the holders of the \$50 Preferred as hereinabove provided, the Company shall not take any action to change, alter, remove, amend or modify any of the above restrictions set forth in the preceding sentence, so as to affect the \$50 Preferred adversely, without the affirmative vote in favor of the taking of such action by the holders of at least a majority of the shares of the \$50

Preferred ~~at. the~~ time outstanding or if the holders of **33-1/3%** of such shares of the \$50 Preferred vote against the taking of such action.

For the purpose of computation of net income available for the payment of dividends under subdivision **(a)** of this subsection **(c)**, if any of the property owned by the Company at the time of the issuance, sale or disposition of such stock was acquired by the Company during or after the period covered by the computation of such net income, the net income available for the payment of dividends from such property, to the extent that the same has not otherwise been included and can be determined, shall be treated as net income of **the Company** available for the payment of dividends during such period. The net income of any property disposed of by the Company during or after such period shall likewise not be treated as net income of the Company available for the payment of dividends during such period.

IV  
The Preferred Stock, Authorized, Unissued  
and Undesignated as to Series

**(1) Issuance in Series.** The Board of Directors is hereby empowered to cause the Preferred Stock, Authorized, Unissued and Undesignated as to Series (hereinafter called the Preferred **Authorized**), of the Company to be issued in series with such of the variations permitted by clauses (a)-(h), both inclusive, of this Section 1 as shall have been fixed and determined by the Board of



Directors with respect to any series prior to the issue of any shares of such series.

The shares of the Preferred Authorized of different series may vary as to:

(a) the number of shares constituting such series and the designation of such series, which shall be such as to distinguish the shares thereof from the shares of all other series and classes;

(b) the rate of dividend, the time of payment and, if cumulative, the dates from which dividends shall be cumulative, and the extent of participation rights, if any;

(c) any right to vote with holders of shares of any other series or class and any right to vote as a class, either generally or as a condition to specified corporate action;

(d) the price at and the terms and conditions on which shares may be redeemed;

(e) the amount payable upon shares in event of involuntary liquidation;

(f) the amount payable upon shares in event of voluntary liquidation;

(g) any sinking fund provisions for the redemption or purchase of shares; and

(h) the terms and conditions on which shares may be converted, if the shares of any series are issued with the privilege of conversion.

The shares of all series of Preferred Authorized shall be identical except as, within the limitations **set** forth above in this Section 1, shall have been fixed and determined by the Board of Directors prior to the issuance thereof.

(2) The \$10.48 Series. There is hereby created a series of Preferred Authorized designated as the \$10.48 Series with variations established as follows:

(a) The number of shares of such series shall be 120,000, but this number may be increased or decreased by the Board of Directors in its discretion.

(b) Dividends shall be paid on the shares of the \$10.48 Series at the annual rate of \$10.48 payable quarterly on the 1st days of March, June, September and December of each year. Such dividends shall be cumulative from the date of issue of the first shares of such series. The shares shall not be entitled to any participation right.

(c) The holders of the shares of the \$10.48 Series shall not be entitled to any right to vote except as hereunder provided and as provided by the law of Virginia.

(d) The shares of the \$10.48 Series shall be subject **to redemption** at a price of \$103.50 until September 1, 1990, and thereafter of \$100.00, together, in all cases with all dividends accrued to the date fixed for redemption and unpaid.

(e) The amount payable upon the shares of the \$10.48 Series upon involuntary dissolution shall be \$100 together in all cases, with all dividends accrued to the date of payment and unpaid.

(f) The amount payable upon the shares of the \$10.48 Series upon voluntary dissolution shall be the then applicable redemption price.

(g) The shares of the \$10.48 Series shall not be entitled to any sinking fund.

(h) The shares of the \$10.48 Series shall not be entitled to any right of conversion.

## V

### The Common Stock

(1) Subject to the provisions of law and the rights of holders of shares at the time outstanding of all classes of stock having prior rights as to dividends, the holders of Common Stock at the time outstanding shall be entitled to receive such dividends at such times and in such amounts as the Board of Directors may deem advisable.

(2) In the event of any liquidation, dissolution or winding up (whether voluntary or involuntary) of the Company, after the payment or provision for payment in full for all debts and other liabilities of the Company and all preferential amounts to which the holders of shares at the time outstanding of all classes of

stock having prior rights thereto shall be entitled, the remaining net assets of the Company shall be distributed ratably among the holders of the shares at the time outstanding of Common stock.

(3) The holders of Common Stock shall be entitled to one vote per share on all matters.

## VI

### No Preemptive Right

No holder of any share of capital stock of the Company shall have the preemptive right to subscribe to any authorized and unissued share of capital stock of the company or to any security convertible into such share or to any warrant or right to acquire any such share.

4. Unless otherwise fixed by the bylaws, the number of the directors shall be twelve.

5. (a) In this Article:

(1) "applicant" means the person seeking indemnification pursuant to this Article:

(2) "expenses" includes counsel fees;

(3) "liability" means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding:

.. (4) "party" includes an individual who was, is, or is threatened to be made, a named defendant or respondent in a proceeding; and

(5) "proceeding" means any threatened, pending, or **completed** action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

(b) In any proceeding brought by or in the right of the Company or brought by or on behalf of shareholders of the Company, no director or officer of the Company shall be liable to the Company or its shareholders for monetary damages with respect to any transaction, occurrence or course of conduct, whether prior or subsequent to the effective date of this Article, except for liability resulting from such person's having engaged in willful misconduct or a knowing violation of the criminal law or any **federal** or state securities law.

(c) The Company shall indemnify any person who was or is a party to any proceeding, including a proceeding brought by a shareholder in the right of the Company or brought by or on behalf of shareholders of the Company, by reason of the fact that he is or was a director or officer of the Company, or is or was serving at the request of the Company as a director, trustee, partner or officer of corporation, partnership, joint venture,

**trust**, employee benefit plan or other enterprise, against any liability incurred by him in connection with such proceeding unless he engaged in willful misconduct or a knowing violation of the criminal law. A person is considered to be serving an employee benefit plan at the Company's request if his duties to the Company also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan. The Board of Directors is hereby empowered, by a majority vote of a quorum of disinterested directors, to enter into a contract to **indemnify** any director or officer in respect of any proceedings arising from any act or omission, whether occurring before or after the execution of such contract.

**(d)** The provisions of this Article shall be applicable to all proceedings commenced after the adoption hereof by the shareholders of the Company, arising from any act or omission, whether occurring before or after such adoption. No amendment or repeal of this Article shall have any effect **on the** rights provided under this Article with respect to any act or omission occurring prior to such amendment or repeal. The Company shall promptly take all such actions, and make all such determinations, as shall be necessary or appropriate to comply

with its obligation to make any indemnity under this Article. and shall promptly pay or reimburse all reasonable expenses, including attorneys' fees, incurred by any such director or officer in connection with such actions and determinations or proceedings of any kind arising therefrom.

**(e)** The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the applicant did not meet the standard of conduct described in Section **(b)** or **(c)** of this Article.

**(f)** Any indemnification under Section **(c)** of this Article (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the applicant is proper in the circumstances because he has met the applicable standard of conduct set forth in Section **(c)**. The determination shall be made:

**(1)** by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding;

**(2)** if a quorum cannot be obtained under subsection **(1)** of this Section **(f)**, by majority vote of a committee duly designated by the Board

of Directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding;

**(3)** by special legal counsel:

**(i)** selected by the Board of Directors or its committee in the manner prescribed in subsection **(1)** or **(2)** of this Section **(f)**; or

**(ii)** if a quorum of the Board of Directors cannot be obtained under subsection **(1)** of this Section **(f)** and a committee cannot be designated under subsection **(2)** of this Section **(f)**, selected by majority vote of the full Board of directors, in which selection directors who are parties may participate; or

**(4)** by the shareholders, but shares owned by or voted under the control of directors who are at the time parties to the proceeding may not be voted on the determination.

Any evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is appropriate, except that if the determination is made **by special** legal counsel, such evaluation as to reasonableness of expenses shall be made by those entitled under subsection **(3)** of this Section **(f)** to select **counsel**.



“ Notwithstanding the foregoing, in the event there has been a change in the composition of a majority of the Board of Directors after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification made pursuant to this Article shall be made by special legal counsel agreed upon by the Board of Directors and the applicant. If the Board of Directors and the applicant are unable to agree upon such special legal counsel the Board of Directors and the applicant each shall select a nominee and the nominees shall select such special legal counsel.

**(g) (1)** The Company may pay for or reimburse the reasonable expenses incurred by any applicant who is a party to a proceeding in advance of final disposition of the proceeding or the making of any determination under Section **(c)** if the applicant furnishes the Company:

**(i)** a written statement of his good faith belief that he has met the standard of conduct described in Section **(c)**; and

**(ii)** a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet such standard of conduct.

“ (2) The undertaking required by paragraph (ii) of subsection (1) of this Section (g) shall be an unlimited general obligation of the applicant but need not be secured and may be accepted without reference to financial ability to make repayment.

(3) Authorizations of payments under this Section (g) shall be made by the persons specified in Section (f).

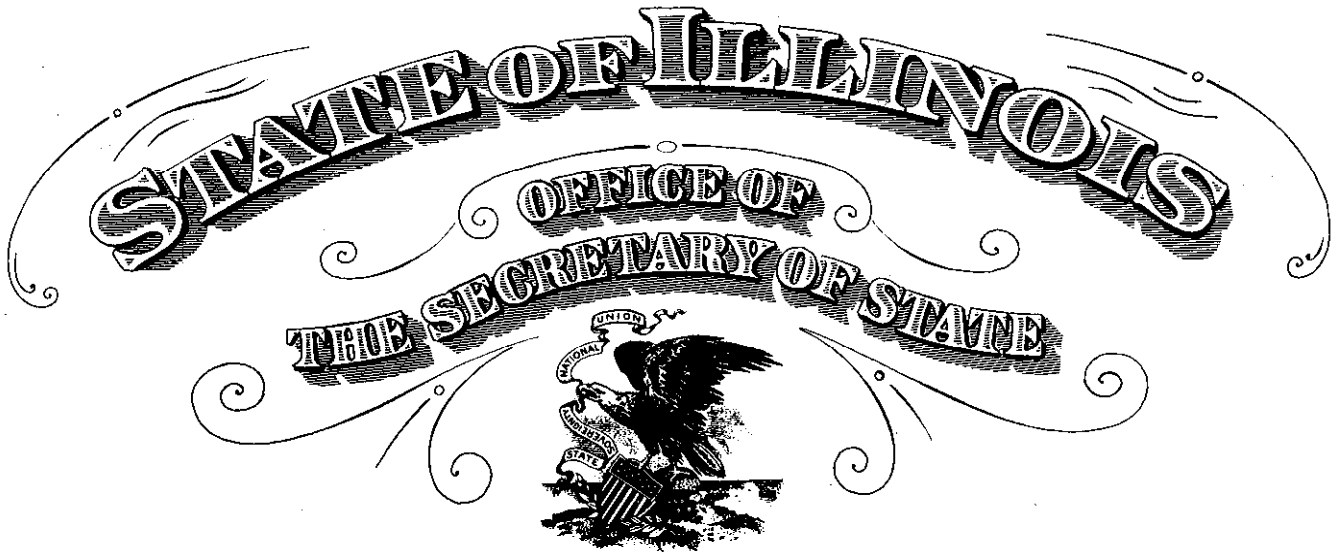
(h) The Board of Directors is hereby empowered, by majority vote of a quorum consisting of disinterested directors, to cause the Company to indemnify or contract to indemnify any person not specified in Section (b) or Section (c) of this Article who was, is, or may become a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Company, or is or was serving at the request of the Company as director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in Section (c). The provisions of Sections (d) through (g) of this Article shall be applicable to any indemnification provided hereafter pursuant to this Section (h).

(i) The Company may purchase and maintain insurance to indemnify it against all or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against or **incurred** by him in any such capacity or arising from his status as such, whether or not the Company would have power to indemnify him against such liability under the provisions of this Article.

(j) Every reference herein to directors, officers, employees or agents shall include former directors, **officers**, employees and agents and their respective heirs, executors and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred by this Article on the Board of Directors shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Company or others, with respect to

claims, issues or matters in relation to which the Company would not have the power to indemnify such person under the provisions of this Article. Such rights shall not prevent or restrict the power of the Company to make or provide for any further indemnity, or provisions for determining entitlement to indemnity, pursuant to one or more indemnification agreements, bylaws, or other arrangements (including, without limitation, creation of trust funds or security interests funded by letters of credit or other means) approved by the Board of Directors (whether or not any of the directors of the Company shall be a party to or beneficiary of any such agreements, bylaws or arrangements); provided, however, that any provision of such agreements, bylaws or other arrangements shall not be effective if and to the extent that it is determined to be contrary to this Article or applicable laws of **the Commonwealth** of Virginia.

**(k)** Each provision of this Article shall be severable, and an adverse determination as to any such provision shall in no way affect the validity of any other provision.



*To all to whom these Presents Shall Come, Greeting:*

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that*

GTE NORTH INCORPORATED, INCORPORATED IN THE STATE OF WISCONSIN AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MAY 26, 1993, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE FILING OF ANNUAL REPORTS AND PAYMENT OF FRANCHISE TAXES, AND IS AT THIS TIME A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS\*\*\*\*\*

FILED  
JAN 13 1993  
JAN 13 1993



***In Testimony Whereof, I,*** hereto set  
my hand and cause to be affixed the Great Seal of  
the State of Illinois, this 26TH  
day of JANUARY A.D. 2000

*Jesse White*

SECRETARY OF STATE



*To all to whom these Presents Shall Come, Greeting:*

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that*

GTE SOUTH INCORPORATED, INCORPORATED IN THE STATE OF VIRGINIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON OCTOBER 12, 1993, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE FILING OF ANNUAL REPORTS AND PAYMENT OF FRANCHISE TAXES, AND IS AT THIS TIME A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS\*\*\*\*\*

FILED  
JAN 27 1994  
JAN 27 1994



*In Testimony whereof, I, hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 26TH *day of* JANUARY *A.D.* 2000 .

*Jesse White*

SECRETARY OF STATE